COUNCIL COMING ATTRACTIONS



Week of April 17, 2017

FY18 Operating Budget Overview, Healthy Vending Standards, Housing and Building Maintenance Standards, and Bethesda Downtown Sector Plan



Council Coming Attractions is a summary of some of the issues before the Council. All Council staff reports and additional information on each item scheduled for Council or Committee review can be viewed at: http://www.montgomerycountymd.gov/COUNCIL/ondemand/index.html.

Also the Council meeting schedule may change from time to time. The current Council and Committee agendas can also be viewed at:

http://www.montgomerycountymd.gov/COUNCIL/ondemand/index.html.

- On April 18 the Council session will begin at 9:30 a.m. Three proclamation presentations are scheduled:
 - > Councilmember Katz will recognize National Child Abuse Prevention Month.
 - Council President Berliner will recognize the 5th annual "A Day in the Life of Montgomery County.
 - Council President Berliner will recognize Earth Day (presented at 10:30 a.m.).
- On April 18 at 7:30 p.m. the Council will hold a public hearing on US 29 Bus Rapid Transit at the Council Office Building (100 Maryland Ave., Rockville, Md.).
- On April 19 at 7:30 p.m. the Council will host a Town Hall Meeting at Long Branch Community Center (8700 Piney Branch Road, Silver Spring, Md.).

COUNCIL

Overview of the FY18 Operating Budget

Council Administrator Steve Farber will provide an overview of the FY18 operating budget. The staff report can be viewed at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134597.

- The Executive's FY18 recommended tax supported operating budget is \$4.7702 billion, an increase of \$126.4 million (2.7%) from the Council-approved FY17 budget. The total recommended budget is \$5.4424 billion, an increase of \$140.6 million (2.7%).
- The FY18 operating budget has moderate growth in targeted areas such as the schools, where
 a 2.4 percent increase is recommended. Increases for County Government, Montgomery
 College, and the Maryland-National Capital Park and Planning Commission (M-NCPPC)
 are also moderate with targeted improvements for libraries, police and other key functions.
- Changes in federal policies will likely have future impacts on the County. At this point, there
 is no way to measure the consequences that these changes may have on the Washington
 metropolitan region or the County.
 - Forty-eight thousand County residents are federal employees and many thousands more are federal contractors.
 - The County is home to many of the agencies targeted for deep cuts, including the National Institutes of Health (NIH), the National Oceanic and Atmospheric Administration (NOAA), and the National Institute of Standards and Technology (NIST).
 - > The County receives significant federal grant funding.
- MCPS, Public Safety and Debt Service represent 70 percent of the FY18 operating budget, with MCPS receiving 49.6 percent of the recommended tax supported budget.
- Income tax revenue is expected to increase at annual rates of 2.8 to 3.3 percent in FY19-23; however, revenue in those years will be reduced because of the U.S. Supreme Court's decision in the Wynne case.
 - The total cost of repayments from past claims (including interest) is now \$136 million. For FY18-23 the estimated total income tax revenue loss resulting from *Wynne* is \$302.9 million.
- The FY18 real property taxable base is estimated at \$185.7 billion, up 3.6 percent from FY17.
 - > This continues the slow recovery in assessments from the declines of the Great Recession.
 - For FY18 the Executive recommends setting a weighted average property tax rate of \$1.0013 per \$100 of assessed value, down 2.51 cents (2.4%) and retaining the income tax offset credit at \$692.
 - Property tax bills for the average homeowner would increase by \$1.67 per month, or \$20 annually.
- Salaries and benefits for active and retired employees of all agencies are about 80 percent
 of the County's total FY18 tax supported budget. For MCPS alone, the figure is about 90
 percent.
 - For County Government the Executive recommends a 2 percent general wage adjustment for all employee groups and 3.5 percent service increments or longevity increments for all eligible employees.
 - MCPS plans 1 percent general wage adjustments, steps averaging 3 percent, and longevity increments.
 - Proposed pay increase for Montgomery College and M-NCPPC have not been finalized.
- The Council adopted a comprehensive resolution on reserves and selected fiscal policies in June 2010 and updated it in Nov. 2011. The resolution called for building reserves to 10 percent of Adjusted Governmental Revenues by 2020, maintaining PAYGO at 10 percent of

annual general obligation bond issuance, and the annual adoption of a fiscal plan that is balanced in each year of the six-year period.

- The reserve target for FY18 is 8.9 percent or \$457.1 million, with \$308.1 million in the Revenue Stabilization Fund and \$149.1 million in the unrestricted General Fund reserve.
- > PAYGO was \$34 million in FY17 and is projected at \$34 million annually in FY18-23.
- Resolution to approve minor amendments to the Office of Zoning and Administrative Hearings' Rules of Procedure for Zoning, Conditional Use, and Board of Appeals Referral Cases

 The Council is scheduled to introduce a resolution to approve minor amendments to the Office of Zoning and Administrative Hearings' (OZAH) Rules of Procedure. Council action is tentatively scheduled for April 25, 2017. The staff report can be viewed at:

 http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134599.

On Feb. 7, the Council enacted Ordinance 18-25, which approved Zoning Text Amendment 16-16. The Ordinance changed the notification procedures governing conditional uses. The proposed amendments to OZAH's Rules of Procedure are intended to conform to the requirements of Ordinance 18-25. In addition to technical changes, amendments are proposed to do the following:

- Change Rule 7 to employ the modified language of a Zoning Ordinance notice provision.
- Modify Rule 7 (b) to require that notice of conditional use decisions be sent to the Planning Board, the Department of Permitting Services, and the Finance Department.
- Add Rule 27 to establish an administrative process to record, in OZAH's files, the transfer
 of a conditional use to a new holder or to add another conditional use holder to an
 approved conditional use.
- Supplemental Appropriation to the County Government's FY17 Capital Budget and amendment to the FY17-22 Capital Improvements Program, Department of Recreation: \$225,000 for Cost Sharing to fund security improvements at specified community institutions; and amendments to Resolution 18-506, Section G, FY17 Designation of Entities for Non-Competitive Award Status: Bender JCC of Greater Washington, Inc.; Charles E. Smith Jewish Day School of Greater Washington, Inc.; and The Jewish Federation of Greater Washington, Inc.

The Council is scheduled to vote on this supplemental appropriation and the proposed amendment to Resolution 18-506. The staff report can be viewed at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134601.

This supplemental appropriation would assist the Jewish community in protecting schools, offices, and community services facilities in the County. The Bender JCC of Greater Washington, Inc., the Charles E. Smith Jewish Day School of Greater Washington, Inc., and the Jewish Federation of Greater Washington, Inc. have invested significant resources for safety upgrades; however, more is needed. These organizations have formally requested County assistance through the FY18 Community Grant process. Rather than delay these requests until FY18, the Executive recommends that they be funded immediately by approving this supplemental appropriation and amending the FY17-22 Capital Improvements Program in the amount of \$225,000. The source of funds is Current Revenue: General. In addition, Council President Berliner has recommended an amendment to this supplemental appropriation to provide an additional \$225,000 to fund security improvements at other communities experiencing an increase in hate crimes. If approved, the Executive Branch would receive proposals from these organizations and administer the funds.

Expedited Bill 11-17, Retirement-Board of Investment Trustees-Consolidated Retiree Health Benefit Trust Board of Trustees-Powers and Duties, Montgomery County Group Trust The Council is scheduled to introduce Expedited Bill 11-17. Council President Berliner is the lead sponsor, at the request of the County Executive. A public hearing is scheduled for April 25 at 1:30 p.m. The staff report can be viewed at: http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5020&meta id=134604.

Bill 11-17 would permit the County's employee benefit trusts to create a group trust allowing the individual employee benefit trusts to invest through one investment vehicle. The different employee benefit trusts include the Employees' Retirement System, the Retirement Savings Plan, the Deferred Compensation Plan, and the Consolidated Retiree Health Benefits Trust. This Bill would amend the County's retirement law, and the law governing the consolidated retiree health benefits trust, to permit the Board of Investment Trustees and the Consolidated Retiree Health Benefits Trust Board of Trustees to establish a group trust. The Bill would allow the participating trusts to access certain investment opportunities which may otherwise be closed to new investors due to capacity or other constraints.

Bill 1-17, Contracts and Procurement-Vending Machine Service Contracts-Healthy Vending Standards

The Council is scheduled to vote on Bill 1-17. The GO Committee (3-0) recommends enactment with a technical amendment to make it clear that the law would apply to County vending machine service contracts. Councilmember Leventhal is the lead sponsor. Council President Berliner and Councilmembers Rice, Navarro, Riemer and Elrich are cosponsors. The staff report can be viewed:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134606.

Bill 1-17 would require certain County vending machine service contracts to contain nutritional standards and labeling and product placement requirements. Any vending machine service contract entered into by the County, on or after July 1, 2017, would require at least 50 percent of the food and beverage items offered for sale to meet the healthy vending standards established in the bill. After July 1, 2018, 65 percent of the food and beverage items offered for sale must meet the healthy vending standards. All new vending machine contracts entered into by the County would require:

- all food or beverage items offered for sale to be less than 0.5 grams of trans-fat per serving and no more than 200 milligrams of sodium per package; and
- any beverage offered for sale be less than 250 calories or 20 fluid ounces.
- Bill 38-16, Housing and Building Maintenance Standards-Foreclosed Property Registration Penalty

The Council is scheduled to vote on Bill 38-16. The PHED Committee recommends enactment. Councilmember Hucker is the lead sponsor. Council President Berliner and Councilmembers Navarro, Elrich, Riemer, Leventhal, and Floreen are cosponsors. The staff report can be viewed at:

 $\underline{\text{http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136\&event_id=5020\&meta_id=134609} \;.$

Bill 38-16 would impose a civil penalty for the failure to register a foreclosure purchase. The maximum penalty for a violation would be \$1,000 for an initial or repeat offense. Each day a violation continues is considered a separate offense.

- Maryland law currently requires a purchaser of a foreclosed property to register with the State Department of Labor, Licensing and Regulation (DLLR) within 30 days of the property's foreclosure sale. The goal of the law is to address the nine- to eighteen-month period that frequently occurs between the date of a foreclosure and the date of title transfer. During this time, local jurisdictions may have a difficult time identifying the responsible party for maintenance, security, and taxes.
- According to Councilmember Hucker, the State Foreclosure Registry reported 1,432 foreclosures countywide in FY15 with 34 percent failing to register or registering after the deadline.

- Bill 49-16, Economic Development-Workforce Development-Microlending Program
 The Council is scheduled to vote on Bill 49-16. The PHED Committee recommends enactment with the following amendments:
 - Provide that the microlending program be administered by the County's Economic Development Corporation as part of a microenterprise development strategy, rather than the Workforce Development Corporation as originally proposed.
 - Provide that the Corporation may, rather than must, administer the microlending program.
 - Limit loans in the program to those without other access to capital.

Council President Berliner and Councilmembers Navarro and Hucker are the lead sponsors. Councilmembers Floreen, Rice, Elrich, Katz, and Riemer are cosponsors. The staff report can be usual at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134612.

Bill 49-16 would require the County to administer a culturally proficient microlending program to provide financial and technical assistance to County entrepreneurs; establish criteria for the operation of the microlending program; and require an annual report. County residents with businesses headquartered in the County would be eligible for microloans of up to \$15,000. Loan recipients would be required to participate in educational and technical assistance that would be part of the program. The program may use non-County funds for capital and program administration. Materials and assistance would be provided in multiple languages.

Bethesda Downtown Sector Plan

The Council is scheduled to hold its first worksession on the Bethesda Downtown Sector Plan. The first of eight PHED Committee meetings on the Bethesda Downtown Sector Plan occurred on Jan. 23. All of the PHED Committee meetings can be viewed at:

http://www.montgomerycountymd.gov/COUNCIL/Master_Plans/index.html .

The Council staff reports for the Council worksession can be viewed at:

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134634 . http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5020&meta_id=134616 .

The Planning Board's July 2016 Draft Bethesda Downtown Sector Plan can be viewed at: http://montgomeryplanning.org/wp-content/uploads/2016/12/BDP-Planning-Board-Draft lowres2.pdf.

Downtown Bethesda is located along Wisconsin Ave. between Friendship Heights and the Capital Beltway, centered on the intersection of Wisconsin Ave., Old Georgetown Rd. and East-West Hwy. The Bethesda Downtown Plan retains the Plan Area boundary of the 1994 Bethesda Central Business District (CBD) Sector Plan, including the areas covered by both the 2006 Woodmont Triangle Amendment and the 2014 Planning Board Draft Bethesda Purple Line Station Minor Master Plan Amendment. The area covers approximately 451 acres and is bounded by the National Institutes of Health campus on the north; Tilbury St., Sleaford Rd., Cheltenham Rd., Capital Crescent Trail, 46th St., and West Ave. on the east; Norwood Park and Nottingham Dr. on the south; and Arlington Rd. and Old Georgetown Rd. on the west.

Some of the goals of the proposed Plan include:

- Coordinating and aligning the Central Business District (CBD), Urban District (UD), and Parking Lot District (PLD) boundaries.
- Preserving and enhancing the community's existing affordable housing throughout the Sector Plan area by leveraging proximity to transit stations and supporting flexible zoning and density incentives and expanded economic programs.
- Making the increased provision for moderately priced dwelling units (MPDUs) from 12.5
 percent to 15 percent a priority amenity in all optional method projects.
- Consolidating retail in appropriate places in the Sector Plan area through designated retail centers or nodes.
- Strengthening the centers of activity through economic, social, and environmental aspects of sustainability.

- Encouraging mixed-use development to allow development to adapt to market conditions.
- Creating new civic gathering spaces in the expanded centers of activity.

COMMITTEE

HHS Committee Meeting FY18 Operating Budget and CIP Amendments On April 17 at 9:30 a.m. the HHS Committee will meet to review:

• NDA: Takoma Park Library Annual Payment

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5697&meta_id=134521.

• NDA: Historical Activities

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5697&meta id=134523.

Libraries

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5697&meta_id=134525 .

GO Committee Meeting FY18 Operating Budget and CIP Amendments On April 17 at 9:30 a.m. the GO Committee will meet to review:

• NDA: Interagency Technology Policy and Coordination Committee (ITPCC)

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5698&meta id=134509 .

Cable Television and Communications Plan

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5698&meta_id=134547_.

Department of Technology Services

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5698&meta_id=134513.

• NDA: Device Client Management

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5698&meta id=134516.

NDA: Telecommunications

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5698&meta id=134518.

- PHED/PS Committee Meeting FY18 Operating Budget and CIP Amendments On April 17 the PHED and PS Committees will meet jointly to review:
 - Park Police

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5699&meta_id=134534.

Addendum

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5699&meta_id=134536.

PHED Committee Meeting FY18 Operating Budget and CIP Amendments

On April 17 at 2:30 p.m. the PHED Committee will meet to review:

• M-NCPPC – CIP Amendments

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5700&meta_id=134528.

• M-NCPPC - Operating Budget

 $\underline{\text{http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136\&event_id=5700\&meta_id=134545}\ .$

PS Meeting FY18 Operating Budget and CIP Amendments

On April 17 at 2:30 p.m. the PS Committee will meet to review:

Collective Bargaining Agreement with MCVFRA

 $\underline{http://montgomery countymd.granicus.com/MetaViewer.php?view_id=136\&event_id=5699\&meta_id=134553.$

• Fire and Rescue Service

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5699&meta id=134549.

Office of Consumer Protection

http://montgomerycountymd.granicus.com/MetaViewer.php?view id=136&event id=5699&meta id=134543.

Addendum

http://montgomerycountymd.granicus.com/MetaViewer.php?view_id=136&event_id=5699&meta_id=134551.

ALL LINKS TO STAFF REPORTS BELOW WILL BE AVAILABLE NEXT WEEK

GO/T&E Meeting

On April 19 at 9:30 a.m. the GO and T&E Committees will meet jointly to review:

- Resolution to approve Declaration of No Further Need: Disposition of Conference Center portion of surface parking and Executive Boulevard abandoned right-of-way.
- T&E Committee Meeting

On April 19 at 9:45 a.m. the T&E Committee will meet to review:

• Supplemental appropriation and CIP amendment, DOT - \$800,000 for Dennis Avenue Bridge

Replacement.

FY18 Operating Budget and CIP Amendments Transportation:

- General Fund,
- NDA: HOA Road Maintenance Reimbursement,
- NDA: Rockville Parking District, and
- CIP: Transportation projects.
- PS/HHS Meeting FY18 Operating Budget and CIP Amendments On April 19 at 2 p.m. the PS and HHS Committees will meet jointly to review:
 - STEER (Stop, Triage, Engage, Educate, and Rehabilitate),
 - Mental Health Court, and
 - Monitored Exchange and Supervised Visitation Center.
- PS Committee Meeting FY18 Operating Budget and CIP Amendments On April 19 at 2:30 p.m. the PS Committee will meet to review:
 - Circuit Court,
 - State's Attorney, and
 - Sheriff.
- HHS Committee Meeting FY18 Operating Budget and CIP Amendments On April 19 at 2:30 p.m. the HHS Committee will meet to review:
 - Cost Sharing MCG, State Match Community Grants and Arts Capital Grants, and
 - NDA: Arts and Humanities Council.
- © GO Committee Meeting FY18 Operating Budget and CIP Amendments On April 20 at 9:30 a.m. the GO Committee will meet to review:
 - Compensation and benefits for all agencies,
 - Discussion Compensation and Benefits (Data), and
 - Collective bargaining agreements.
- PHED/HHS Committee Meeting FY18 Operating Budget and CIP Amendments
 On April 20 at 2 p.m. the PHED and HHS Committees will meet jointly to review:
 Housing First.
- PHED Committee Meeting FY18 Operating Budget and CIP Amendments On April 20 at 2:30 p.m. the PHED Committee will meet to review:
 - NDA: Housing Opportunities Commission,
 - Department of Housing and Community Affairs, and
 - Recreation.

T&E Committee Meeting FY18 Operating Budget and CIP Amendments

On April 21 at 9:30 a.m. the T&E Committee will meet to review:

- Washington Suburban Sanitary Commission,
- Environmental Protection, including FY18 Water Quality Protection Charge,
- Solid Waste Services and Solid Waste Service Charges,
- CIP Amendments: Gude Landfill Remediation and Stormwater Management Project technical

adjustments, and

• Executive Regulation 23-16AM, Pesticides-Invasive Species.

GO Committee Meeting

On April 21 at 9:30 a.m. the GO Committee will meet to review:

• Resolution to approve Declaration of No Further Need: Disposition of 175 Watts Branch Parkway, Rockville.

FY18 Operating Budget and CIP Amendments:

- Board of Elections,
- NDA: Public Election Fund,
- Finance, Risk Management, and NDA for Risk Management,
- CIP: General Government,
- NDAs: Leases, Working Families Income Supplement, State Property Tax Services, Grants to Municipalities, Future Grants, Takoma Park Police Rebate, Municipal Tax Duplication, and
 Debt Service.
- ED Committee Meeting

On April 21 at 2 p.m. the ED Committee will meet to review:

- Supplemental appropriation and CIP amendment-MCPS-\$4,900,000 for artificial turf at Julius West Middle School and Einstein and Whitman High Schools, and
- MCPS CIP amendments: Outdoor Play Space Maintenance Project and Funding Expenditure Shift for Current Revitalization/Expansion Project.

FY18 Operating Budget and CIP Amendments:

Montgomery County Public Schools.